

INTEGRATED DEVICE TECHNOLOGY



IDT WINCHIP PREFERRED RESELLER PROGRAM

MAY 28, 1998

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PROGRAM VERSION 5.1 (MAY 28, 1998)

PROGRAM SUMMARY

The IDT Preferred Reseller Program (PRP) was created to support IDT WinChip channel partners to develop markets for IDT WinChip based desktop and notebook PC's. As a member of the IDT WinChip PRP, you earn 4% market development fund (MDF) accrual in an individual co-op account. Our channel partners can apply these funds towards direct marketing and promotional programs under the IDT PRP guidelines. Other benefits of this program include free WinChip point of sale material, listing on the WinChip website and early WinChip marketing and technical information through a password protected area on the website.

PROGRAM REQUIREMENTS

- 1) Preferred resellers are defined as those IDT customers meeting a minimum WinChip purchase requirements of \$3,000 (U.S.), in any given month, from authorized Master Distributors (see Appendix A). Funds will accrue on purchase of WinChip processors 200MHz or higher.

Or

Purchase of IDT WinChip Launch kits or IDT WinChip Starter kits (as defined below) through authorized Master or Approved distributors

Visit www.winchip.com to get the latest list of IDT WinChip Master and Approved Distributors.

- 2) Resellers must register as an IDT Preferred Reseller by accessing the preferred reseller section of the WinChip website (www.winchip.com) or by faxing a completed form to IDT.
- 3) Reseller participation in the PRP constitutes its agreement to the IDT PRP Marketing Program Terms and Conditions in Appendix C of this document.
- 4) Creative and production costs do not qualify for MDF reimbursement.

PROGRAM GUIDELINES

HOW DOES IT WORK

In order to distribute MDF, IDT has established a Preferred Reseller Program MDF account for each qualified customer. The account resides at Co-op Communications, Inc. (CCI), IDT's independent program administrator.

Funds are accrued monthly on purchases. IDT will credit each account with a dollar amount based on 4% of the purchase amount as long as the reseller meets the \$3000 minimum purchase requirement in any given month or the purchase of Launch / Starter Kits as defined below.

Launch Kit: In addition to funds accrued from WinChip processor purchases, IDT offers resellers a special limited time opportunity to purchase up to three launch kits (max) for the life of this program. The launch kit includes a \$1000 MDF certificate which can be applied towards local market advertising (see Appendix A for list of publications) or spent under the preferred reseller program guidelines. The launch kit includes 50 paid WinChip processors, 5 free samples and a coupon for a free reseller kit. The reseller kit contains WinChip product briefs, compatibility information and point of sale material.

Starter Kit: For customers interested in initially purchasing a smaller quantity of WinChip processors, IDT offers resellers a special limited time opportunity to purchase up to six starter kits (max) for the life of this program. The starter kit includes a \$500 MDF certificate which can be applied towards local market advertising (see Appendix A for a list of publications) or spent under the preferred reseller program guidelines. The starter kit also includes 25 paid WinChip processors and a coupon for a free reseller kit. The reseller kit contains WinChip product briefs, compatibility information and point of sales material.

Please note that WinChip processors purchased as part of Launch kits or Starter kits also qualify for the 4% MDF accrual as long as these kits are purchased from Master Distributors. Launch kit and Starter Kit can be combined but resellers can only qualify for a maximum reimbursement of \$3000 in MDF certificates. In addition, IDT customers have a maximum of 90 days from the date of purchase to spend the \$1000 or \$500 certificate under the IDT PRP guidelines.

TIME LIMITS TO SPEND THE ACCRUED FUNDS

IDT WinChip Preferred Reseller Partners have 180 days (from the end of the month in which the product was purchased) to spend and claim accrued funds. For example, if the reseller purchased the WinChip processors on January 20, the data is received and posted in the reseller Co-op account by March 1. The reseller can spend and claim these funds from March 1 through July 31. To make sure that the account is up-to-date, claims are always paid using the oldest funds available. If claims are not submitted against funds in the time frame allowed, the funds expire and are forfeited. Once funds are lost, they cannot be reinstated.

HOW TO MAKE A CLAIM

To obtain reimbursement for an activity for which you paid the costs, you must submit a claim form and appropriate documentation. Claims should be submitted no later than 60 days after the activity has taken place. Please follow these steps:

1. Register as a Preferred Reseller 'on-line' by accessing the Reseller section of the WinChip website; www.winchip.com.
2. Review the PRP guidelines and prepare your IDT WinChip promotional activities in accordance with the guidelines. (logos and images are available for download from www.winchip.com)
3. Complete a pre-approval claim form. (see Appendix E for forms).
4. Submit the your activity for pre-approval to the following address.

USA IDT WinChip Preferred Reseller Program C/O: CO-OP Communication Inc. (CCI) 899 Northgate Drive, Suite 104 San Rafael, CA 94903, USA Bob Martelle Tel: 415-472-5100 Extension 243 Fax: 415-472-0478 Email: Bobbym@coopcom.com	Europe WinChip Marketing (UK) Steve Munns Tel: 44-1372-366110 Fax: 44-1372-376631 Email: munns@idt.com	Asia Pacific WinChip Marketing (Taiwan) Sherry Liu Tel: 886-2-7267255 Fax: 886-2-2726-7275 Email: shliu@idt.com	Japan WinChip Marketing (Tokyo) George Nakagami Tel: 81-33-221-9821 Fax: 81-3-3221-9824 Email: nakagami@idt.com
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5. Once pre-approval is received and promotional activity is completed, submit claim form and documentation to the addresses above.

For resellers outside the United States, please forward your documentation to CCI after receiving final approval from your regional WinChip marketing team. CCI will review your final claim to make sure it meets program guidelines. Within 14 days of CCI receiving the final claim, three things can occur;

- 1) You will be mailed a MDF reimbursement check in US Dollars.
- 2) Your claim if denied will be returned to you with an explanation of the denial.
- 3) A letter will be sent to you if your claim needs additional information or your claim is on hold for some other reason.

Note: It is recommended that you photocopy the claim form and all documentation for your files before submitting your claim. No claims can be paid without the appropriate documentation.

ELIGIBLE ACTIVITIES

The following table contains a summary of eligible activities. A more detailed explanation for each item.

WinChip Activity	Ad Page*
Fax Blast	100% of prorated cost
Direct mail printing and postage	100% of prorated cost (1/2 page min)
Product catalogues	100% of prorated cost (1/2 page min)
Local & national publications	100% of prorated cost (1/4 page min)
Line item listing ads	\$120 or \$240 (less than 4x4 inch)
Newspaper ads	100% of prorated cost (must be 4x4 inches or more)
Radio and TV ads	100% of prorated airtime cost
Internet Commercial Website Banner or Reseller Website WinChip page	100% of cost

Pro-rated means that if WinChip covers a percentage (area) of the reseller promotional activity then the PRP will only pay the prorated cost of the activity.

Non-standard Programs: Programs which do not fit within the PRP guidelines, must be approved in writing by the WinChip MDF Administrator prior to submission of the MDF claim form.

APPENDIX A

(Please refer to www.winchip.com for latest info)

USA

Master Distributors: Hamilton Hallmark, Wyle

Approved Distributors: Wintec, Ma Labs, CHS, RLM

Europe

Master Distributors: ACAL, Arrow, ATD, Avnet, Microtronica, Silverstar

Approved Distributors: CHI, M2, Hornet, Amitron, CCI, TCH, CNC, TS Computer, CDC, Microtronica, Frank and Walter

Asia Pacific

Master Distributors: WPI, Avnet, Uniquet, GEC, Zodiac, ARB

Approved Distributors: Lestina, Novel, ISI, Promost, UCH, C-14 Associate, Urim

Japan

Master Distributors: DIA, Tachi Bana, Tokyo Electron

Approved Distributors: Softbank, ADO

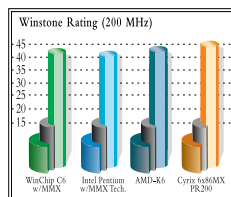
APPENDIX B

Essential Elements Required for Promotional Piece Approval and Examples

1. IDT WinChip logo in proper style*



2. Your choice of performance charts*



Please note that in countries where competitive charts are not permitted, resellers can create own charts which show WinChip C6 Winstone performance

3. One approved positioning statement from the list below with the IDT trademark
IDT WinChip C6 the Windows microprocessor
IDT WinChip C6 delivers cost effective performance with Socket 7 motherboards.

4. One supporting editorial quote from the list below.

"IDT WinChip C6 actually matches Intel Pentium MMX performance . . . but costs less."-*PC World*

"IDT WinChip C6 raises the price/performance bar in the Pentium compatible market."-*PC World*

"IDT WinChip C6 delivers competitive performance at a great price.", - *PC Magazine*

Examples of PRP Reimbursement:

Example 1:

Ad cost for full page is \$1000.

Reseller wishes to place full page ad, dedicating 50% to WinChip.

Calculation for MDF support :- $\$1000 \times 0.5$ (50% prorated based on space) = \$500 *

Example 2:

Ad cost for half page is \$500.

Reseller wishes to place half page ad, dedicating 50% to WinChip.

Calculation for MDF support : $\$500 \times 0.5$ (50% of prorated cost) = \$250 *

Example 3:

Ad cost for full page is \$1000.

Reseller wishes to place full page ad, dedicating 75% to WinChip.

Calculation for MDF support : $\$1000 \times 0.75$ (75% of prorated cost) = \$750 *

*Please visit the WinChip website www.winchip.com for IDT WinChip logo's and other graphics.

Appendix C

INTEGRATED DEVICE TECHNOLOGY, INC. PREFERRED RESELLER PROGRAM TERMS AND CONDITIONS

This document contains the exclusive terms and conditions of Integrated Device Technology, Inc.'s ("IDT") Preferred Reseller Program ("Program"). Participation in this Program is subject to and exclusively governed by these terms and conditions. These terms and conditions may only be modified in writing, and solely by IDT.

1. Definitions

1.1 "Eligible Products" means the IDT WinChip Microprocessor™ purchased from an Authorized Distributor.

1.2 "Authorized Distributors" means IDT distributors approved by IDT as participants in the Program. Current Authorized Distributors are listed in the Appendix hereto. IDT reserves the right to add or withdraw Authorized Distributors at any time, without prior notice.

1.3 "Co-op Coordinator" means the program Co-op Coordinator appointed by IDT to administer the Program, including the award, accrual and adjustment of Marketing Development Funds in Reseller's MDF Account.

1.4 "Marketing Development Funds" or "MDF" means dollars awarded based on Reseller's purchases of Eligible Products under the Program.

1.5 "MDF Account" means the account maintained by the Co-op Coordinator of MDF Funds allocated to Reseller under the Program.

1.6 "Qualified Marketing Activities" means product marketing approved by IDT.

1.7 "Reseller" means entities who are registered as IDT Preferred Resellers who purchase Eligible Products.

2. Program

2.1 IDT shall award Reseller Marketing Development Funds only for Reseller's previously-approved . Qualified Marketing Activities and only in accordance with the terms and conditions set forth herein.

2.2 Reseller's purchases of Eligible Products will be determined, and MDF awarded, based on reports reflecting Reseller's sales of Eligible Product ("Sales-Out Reports") provided by Authorized Distributors.

2.3 The Co-op Coordinator currently appointed by IDT is:

Co-op Communications, Inc.

Attn: IDT WinChip Preferred Reseller Program

899 Northgate Drive, Suite 104

San Rafael, CA 94903

2.4 The "MDF Account" will be maintained by the Co-op Coordinator. IDT assumes no responsibility for the accuracy or completeness of the MDF Account.

2.5 MDF Funds reflected in Authorized Distributors' sales out reports will be available for 180 days after purchase of Eligible Products from Authorized Distributors and shall expire at the conclusion of that 180 day period. Any unused MDF funds will be removed from the MDF Account at the conclusion of the 180 day period.

2.6 Reseller's MDF Funds will accrue based on 4% of monthly net purchases of Eligible Products with a minimum qualifying purchase of \$3,000 and a maximum qualifying purchase of \$750,000 in any given one month period (a maximum of \$30,000 per month)..

2.7 IDT RESERVES THE RIGHT TO MODIFY OR TERMINATE THE PROGRAM AT ANY TIME WITHOUT PRIOR NOTICE.

3. Program Administration

3.1 The Co-op Coordinator will administer the Program. Co-op Coordinator will accrue MDF Funds based on Sales-Out Reports for the previous month which were timely received. Neither IDT nor the Co-Op Coordinator assumes responsibility for delays or inaccuracies in Sales Out Reports. Reseller may call Co-op Coordinator at any time to discuss Co-op Program status.

3.2 IDT reserves the right to withhold Co-op Marketing Dollars or reject Reseller's request to participate in the Program for any reason, including, but not limited to, Reseller's failure to be in good credit standing with an Authorized Distributor.

3.3 If Reseller returns Eligible Products to an Authorized Distributor for which Reseller received an award, then the corresponding number of MDF Funds available to Reseller will be reduced until balanced against newly accrued totals.

4. Qualified Marketing Activities

4.1 Reseller may obtain reimbursement from IDT for Qualified Marketing Activities, provided that the Qualified Marketing Activities comply with both IDT's then current trademark style guide for the Eligible Product and with the terms and conditions set forth herein, and provided that Customer has obtained IDT's prior written approval prior to placement of Qualified Marketing Activities.

5. Claim Procedures

5.1 A claim for payment of MDF Funds must be in writing, and must be received by the Co-op Coordinator no later than 60 days after the Qualified Marketing Activity has taken place.

5.2 The Co-op Coordinator will preliminarily determine whether the claim satisfies the requirements for Qualified Marketing Activities and the terms and conditions of this Program, and if so, will accrue MDF Funds into the MDF Account.

5.3 Claims must be submitted on claim forms supplied to Reseller by IDT or Co-op Coordinator.

5.4 All Program claims must be fully documented. Attached supporting documentation (i.e., tear sheets, printing invoice, copy of magazine, etc.) must be in original format; photocopies are not acceptable. If additional documentation is needed, the Reseller will be notified by the Co-op Coordinator. Reseller shall respond with the additional required documentation or information no later than 30 days from the date of notification.

5.5 Reseller must send completed claim form and supporting documentation to the Co-op Coordinator.

5.6 IDT will, in its sole discretion, make the final determination about whether a claim is eligible for MDF Funds and about any adjustments to the MDF Account.

5.7 IDT is not responsible for errors or delays by Reseller, Co-op Coordinator or Authorized Distributors, including but not limited to errors or delays in issuing Sales Out Reports, and IDT incurs no obligation for MDF Funds which expire, are removed and/or become unavailable due to such errors or delays. .

6.0 Logo Usage Guidelines

6.1 IDT grants to Customer a non exclusive license to use the WinChip Logo, solely in compliance with the terms of the then-current IDT style-guide, in connection with the Eligible Products when used on or in reference to Customer's products, and for advertising, publicity, descriptions and instructions relating to such Eligible Products in performance of Customer's obligations under the Co-op Program.

6.2 The WinChip Logo will be in used in compliance with the then-current style guide; shall be in proper form, and shall give appropriate attribution to IDT as the owner of the mark. Customer will not undertake any use of the mark in a manner that might jeopardize IDT's rights to prevent unauthorized use. In no circumstances may the WinChip Logo be used in any way which might imply generic identification of x86 microprocessors or microprocessors in general. The IDT WinChip Logo may not be altered.

6.3 The WinChip Logo may not be used in direct combination with other trade names, trademarks or symbols. In addition, the trade names, trademarks or symbols of Customers may not be used in any way which may suggest that the Customer is a division, affiliate or subsidiary of IDT that the Customer's product has been tested, approved or endorsed by IDT.

6.5 The validity and exclusive ownership of the IDT WinChip Logo by IDT is hereby acknowledged by the Reseller, and such ownership shall be indicated whenever it is used in any manner by the Customer as follows:

“The IDT WinChip Logo is a trademark of Integrated Device Technology, Inc.”

6.6 Reseller will promptly notify IDT of any acts of unfair competition or trade or service mark infringement, and reasonably cooperate with efforts to protect IDT's rights. All use of the IDT WinChip Logo will inure to the benefit of IDT.

7.0 Disclaimer of liability, binding effect of terms and conditions

7.1 IN NO EVENT SHALL IDT BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE PROGRAM, NOR FOR INJURY TO ANY PERSON OR PROPERTY NOR FOR LOSS OF PROFITS.

7.2 By participating in the Program, Reseller agrees to the terms and conditions set forth herein. These terms and conditions may only be modified by a written instrument signed by IDT, and set forth the entire agreement between IDT and Reseller relating to the Program. Any dispute between the IDT and any participant in the Program shall be resolved in Superior Court for the state of Santa Clara by application of California law.

Appendix D
Pre-approval and Final Claim Forms

**ALL REQUEST FORMS MUST BE SUBMITTED WITH DISTRIBUTOR INVOICE
FROM WHICH MDF WAS EARNED.**

Pre-Approval Form

Program Request:

- 1) Fax Blast: Date Send _____ Quantity _____ @ \$0.10 each = _____
Audience Target _____
- 2) Direct Mail: Quantity _____ @ printing cost per piece _____ = _____
Audience Target _____
- 2a) Direct Mail Postage @ \$ _____ each per total pieces _____ = _____
- 3) Channel's Product / Quarterly Catalogue - Quantity = _____ @ _____ page
cost.
Audience Target _____
- 4) PC Publication Ad: Publication _____ Insertion Date _____
Ad Size _____ Space Cost _____
% WinChip _____ MDF Pays _____
- 5) Line Item Listing: Publication _____ Insertion Date _____
Pages _____ MDF pays _____
- 6) Newspaper Ad: Publication _____ Insertion Date _____
Ad Size _____ Space Cost _____
% WinChip _____ MDF Pays _____
- 7) Radio & TV: Stations _____ # of Spots _____
Length _____ % WinChip _____
MDF Pays _____
- 8) Web Banner Site URL _____ Banner Cost _____

MDF CLAIM FORM

MDF APPROVAL/CLAIM FORM # _____

**Submit completed claim form with materials to demonstrate proof of implementation
(ie. copy of advert) and invoice from publisher, to:**

Bob Martelle
Co-op Communications
889 Northgate Drive
Suite 104
San Rafael
CA 94903
USA

Date: _____ Approved Distributor: _____ Sales Rep: _____

Customer Information:

Company: _____ Contact: _____

Address: _____

City: _____ State / Province _____ Zip: _____

Phone: (____) _____ Fax: (____) _____ E-Mail: _____

Publisher or Supplier Information:

Publisher / Supplier: _____

Publication: _____ Contact: _____

Phone: (____) _____ Fax: (____) _____ E-Mail: _____

Type of Program: _____

Type of Expense: _____

Amount of Expense: \$ _____ Local currency equivalent : _____

Currency payment is required in : _____

To the best of my knowledge this is correct:

Signature Date

For IDT use:

Make check payable to: _____

MDF Cost: _____

Invoice Number(s): _____

Dept / Acct Code: _____